

TOWN OF CAPE CARTERET
Special Meeting and Work Session Minutes
7:00 PM June 10, 2013

Call to Order

The Cape Carteret Board of Commissioners Special Meeting was called to order at 7:00 PM in the Debbie E. Stanley Board of Commissioners Room. This is a cell phone free meeting.

Pledge of Allegiance led by Commissioner King

Roll Call

Present: Mayor Fowler
Commissioners King, Saunders, Seegers, and Hunt
Attorney Curtis, Anna of the CNT and 10 citizens
Absent: Commissioner Patterson (excused)

Any changes to the agenda? No, *Commissioner Seegers motioned to accept the agenda as is, seconded by Commissioner Hunt. Vote approved 4-0*

Public Hearing: Fiscal Year Budget 2013-2014

The Mayor opened the public hearing. Commissioner Saunders read the Budget Message, which is included in the minutes. The Mayor asked for any comments from the floor.

- Paxon Holz-547 Neptune Drive: She likes the leaf pickup. Opposes increases of stipends for any elected official. If you want to serve on this level, you should do so on a voluntary basis. Charity should be left to individual citizens, not the town board.

With no other comments Commissioner Seegers motioned to close the public hearing, seconded by Commissioner Saunders. Vote approved 4-0

Business Section

1. Budget Amendment Fiscal Year 2012-13: The clerk read the budget amendment. ***Commissioner Saunders motioned to approve the budget amendment, seconded by Commissioner King. Vote approved 4-0***

2. Approval of Fiscal Year 2013-14 Budget Ordinance: ***Commissioner Saunders motioned to approve the Fiscal Year Budget 2013-14 Ordinance, seconded by Commissioner King.***

Discussion: **Commissioner Hunt** stated, "Next week I am going to win the lottery. I think I have a good chance. The trouble with next week or any time after is that it is the future and the future is uncertain. When you make decisions in the present based on the future you need to be very careful about the assumptions that you use. When you look back at the past you can actually see the results of the assumptions that you made. Two years ago the town decided to raise the tax rate 2 ¼ cents based on the claim that we would need to increase revenue in the future in order to balance the budget. Now, two years after that tax increase, looking back, we realize that we did not need to increase the tax rate. That increase, instead of balancing the budget, unbalanced it. In these two years we have produced a \$165,000 surplus and did not need to increase taxes to balance the budget. Last year a majority of this board agreed to reduce taxes one cent because they realized the increase had not been necessary. Nevertheless, two members of the board voted against that decrease because they wanted to be cautious and wait and see. This year we have a tax rate one-cent lower than last year and have given all employees a raise. Our surplus this year is twice as large as last year and still growing with three weeks left in the fiscal year. We should be able to eliminate the remaining 1 ¼ cents of tax from that former increase. In the proposed budget for next year we are giving the employees a second consecutive raise and doubling the commissioners' pay. It should be fair to also provide our citizens with some tax relief

to eliminate that tax increase that was not necessary and was not used to balance our budget. We have a huge reserve fund that should adequately provide for the town, if necessary. The tax increase two years ago was based on incorrect information. There was no need to raise taxes. The increase was not needed to balance the budget. That increase should be eliminated and our tax rate returned to the fair and responsible rate of fourteen cents per hundred that was in place previously. I would like to make a motion that we reduce our rate 1 ¼ cents in the proposed budget.”

Commissioner Seegers stated we have put a lot of work into this budget. “Mrs. Holz, if I may address you. Trying to get people to fill these seats is almost nil. I put a lot of time in and \$50 a month does not cover the fuel.” He is in favor of the budget.

Commissioner King agrees with Mrs. Holz. He does approve of the board’s salary increase. He does not agree with Mr. Hunt’s desire to lower the tax rate. Going forward we are going to finally address the storm water problems in town. We have not paved in many years. We purchased a parking lot that should be paved. Many of us read the Raleigh paper about what’s going on in the legislature and there may be some things we are not aware of coming down the road. Most of the tax rate changes should be done during a revaluation. He agrees, at the next revaluation, if the values are put back to the rate they should be, then a decrease in the tax rate would be proper. He has served on different boards for fourteen years. During the years 1991 to 1996 the tax rate was .30 cents. From 1997-2000 it was .26 cents; 2001-2006 it was .23 cents; 2007-08 it went to .155 cents; 2009-10 to .14 cents; in 2011 it was .1625 based on the assessment of real property, and that was a revenue-neutral position, and in 2012 we dropped it a penny to .1525. If you go back and look at the fund balance in 2000 we had a \$1,416,000, and in 2012 we had \$1,283,000. The money has pretty much stayed intact. He said that forty-eight percent is designated for certain things we can’t control. It was the people in the 90’s that paid into those reserves. If decreased it would be for today’s residents. He does not know if that is a fair way of doing it. **Vote approved 3-1 (No, Hunt)**

The mayor thanked Commissioner Saunders and the staff for their hard work on the budget. It is not a perfect document but it is the best guess on what is going to happen in the future. The budget sets the trend that this board has been trying to do for the last several months and that is to modernize this government.

Adjournment

With no further business, the Special Public Hearing Meeting was adjourned at 7: 28 PM on a motion by Commissioner Saunders, seconded by Commissioner Seegers. **Vote approved 4-0**

WORK SESSION BEGINS

The Cape Carteret Board of Commissioners Work Session came to order at 7:28 PM in the Debbie E. Stanley Board of Commissioners Room

Planning Board Report & Building Inspector’s Report: Brandon Hawks

- Fees collected for the month of May were \$3196
- Hike-Bike Path: 85% completed
- The planning board reviewed the sign ordinance dealing with non-profit, off-site advertising and the removal of flags and banners from the ordinance. The planning board’s recommendation is to leave the ordinance as is.
- The planning board recommends the approval of the final sub-division plat at the corner of Hwy 24 and Taylor Notion Road. (**Agenda item**)
- The planning board reviewed the Commercial Site plan for the proposed Handy Mart and recommends that the BOC approve the site plan. The documents are ready for review in the conference room. Mr. King asked about the curbing separating the other parcel. Brandon said

an email has been forwarded to the property owner and that issue will be discussed in July. The Mayor noted, with appreciation, the hard work that Mr. King and Brandon have been doing on the sidewalk. (**Agenda item**)

Board of Adjustment: none

Police Chief's Report: Donald Miller

DWI- The department will be holding a DWI checkpoint in a couple of weeks. They will have assistance from other agencies. Every police department has an account with the Governors Highway Safety Program. You earn points for hosting DWI checkpoints. If we give a class at a local church or school, we get points. The points can be used to purchase traffic related equipment. We never lose the points. Our town has been able to purchase traffic vests, alcohol sensors, tint meters, and this fall we should be able to replace our radar system. Our radar systems are being phased out.

Re-entry Sticker: The re-entry stickers will now be handed out in the clerk's office. The Mayor said we are updating the computer system and the program will identify the owner and what passes they have in town. Commissioner Hunt would like us to put this change in the next newsletter.

Clerk's Report: Karen Zornes

The delinquent amount of 2012 taxes is \$6515.

Committee Reports

Interlocal Agency: Eddie Seegers: The next ILA meeting will be July 12, 2013 at 7 PM. Mayor Fowler will become the new chairman.

Fire Dept.: The month of May: Total calls 74. (12 Fires, 56 EMS, 6 Fire/EMS) Of these call Cape Carteret had 25 calls. (23 EMS and 2 Fire/EMS) Commissioner King stated he does not understand why the fire department needs a third truck when it won't help our insurance rate and they don't have enough people to run it.

Commissioner's Report: none

Mayor's Report

ILA: The mayor has asked the fire chief and the ILA clerk to meet with him to go over the ILA procedures. Chief Hunter has been very co-operative.

Community watch: This organization will meet for a dinner meeting this Friday night at 6 PM. It is a tradition that is suffering due to people aging out. He asked all interested citizens to attend the dinner. This organization needs your support.

NC General Assembly: The General Assembly has been in a running feud with Charlotte over the airport, Asheville over the water system and Raleigh over the Dorothea Dix Mental Hospital. Some of the legislation being proposed is very umbrella-orientated. In the future, the General Assembly wants the towns to be self-sufficient. Their idea is that we should get our revenue from Ad Valorem tax and Sales tax. They are considering taking away our privilege license tax, beer and wine tax, ABC distribution funds, cutting our sales tax from two percent to one-in-a-half percent, and the franchise tax. That's problematic for Cape Carteret when we have so few businesses. It's about a quarter of a million dollar impact on our town. The only place to go is to the residents. The town is part of a county-wide Municipal Initiative. It is a collaborative effort between East Carolina University's Economic Development, North Carolina Dept. of Commerce, and Carteret County's Economic Development Commission. It is a road map for the next fifty years for this town for businesses. We are going to try and encourage some economic development here that we can manage. If we don't generate a few more businesses for money to go into the general fund, our services will be in jeopardy.

CONSENT AGENDA ITEMS

There will be minutes listed on next week's agenda.

OLD/PENDING ITEMS

2013-14 Leaf & Limb pick-up schedule: Commissioner Seegers said that he and Mr. King went over the schedules and would like to suggest the following dates: the first week of March, June, September and December. Mr. Seegers read a letter from a citizen that is not in favor of the pickup. The Mayor said usually you hear what is going wrong but after one term as major he has heard of what is going right. Our citizens love our police department, our student of the month, and the leaf and limb pickup. Just because someone does not use a service does not mean we should not provide it, similar to the argument about funding public schools which has been going on for 200 years. Burning has greatly decreased since we started the pickup. **(Agenda item)**

Crystal Coast Engineering Contract: This Company will help us with the engineering of storm water problems in our town. We need scientific knowledge to fix these issues. The information was emailed to the board. Commissioner Hunt asked about the contract. It states they will go out and assess the town after a rain event. Is there a limit on the hours they would put in? Commissioner King said the town will request what we want them to do. Someone from the town will assist them. Mr. King has started a list of storm water problem areas in town, but it is not complete. **(Agenda item)**

Chalk and Gibbs Lease Agreement: Sound Bank is moving to Cedar Point and Chalk and Gibbs is willing to lease the building from us. The agreement was emailed to all of you. **(Agenda item)**

NEW ITEMS: none

Citizens to Speak: none

Announcements: none

ADJOURNMENT

With no further business, the meeting adjourned at 8:00 p.m. on a motion by ***Commissioner Saunders, seconded by Commissioner King. Vote approved 4-0***

These are the minutes of June 10, 2013.

Respectfully submitted,

Karen M. Zornes, NCCMC
Town Clerk